64TH CONGRESS, 1st Session. } HOUSE OF REPRESENTATIVES. { REPORT No. 107.

UNIFORM GRADING OF GRAIN, ETC.

FEBRUARY 1, 1916.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. RUBEY, from the Committee on Agriculture, submitted the following

REPORT.

[To accompany H. R. 10405.]

The Committee on Agriculture, to whom was referred the bill (H. R. 10405) for securing the uniform grading of grain, preventing deceptions in transactions in grain, and regulating traffic therein, and for other purposes, having considered the same, report thereon with the recommendation that it do pass.

This is a bill to fix and establish uniform grades in grain and to encourage trade in grain under these uniform standards. For a number of years the Department of Agriculture has, by direction of Congress, been making extensive investigation of the handling, grading, and transportation of grain and the fixing of definite grades thereof. In January, 1914, the grades for corn were fixed, and promulgated to take effect July 1, 1914, and are now being very generally used. The work of determining the grades for wheat is nearing completion, and the grades for other grains will be fixed and promulgated from time to time. The passage of this act will authorize the Secretary of Agriculture not only to fix, establish, and promulgate these grades, but will compel their use wherever grain is shipped in interstate or foreign commerce and sold by grade.

During the last Congress the Committee on Agriculture held extended hearings on the subject of uniform grades for grain and upon Federal supervision of the grading of grain. As a result of these hearings the committee prepared H. R. 17971 and authorized Mr. Moss of Indiana to report it to the House with the unanimous approval of the committee. That bill was passed by the House and reported favorably from the Committee on Agriculture of the Senate, but owing to the lateness of the session it failed of consideration by that body. The bill to which your attention is now directed by the committee is to all practical purposes identical with that bill.

The provisions of this bill (H. R. 10405) apply to grain which is sold by grade and for which standards shall be fixed, established, and promulgated by the Secretary of Agriculture, and which is sold or offered for sale, shipped or offered for shipment in interstate or foreign commerce. The bill prohibits the selling or offering for sale, in interstate and foreign commerce, of grain by grade unless it has been inspected and the grade found to be one of the grades fixed therefor in the official grain standards of the United States. It, however, makes ample provision for the selling or offering for sale of grain by sample or by type and provides that it may be sold under any name, description, or designation not false or misleading, provided such name, description, or designation does not include in whole or in part the terms of any official grain standard.

Certificates are issued only for grain which is sold or offered for sale by grade, and the grade must conform to a grade fixed in the official grain standards.

This bill provides for the Federal supervision of grain sold or offered for sale, shipped or offered for shipment in interstate or foreign commerce, and the Secretary of Agriculture is authorized to license inspectors to inspect and grade grain. He is also given authority to revoke licenses for cause. All disputes between interested parties as to the grade of grain which may arise after the grain has been inspected may be referred to the Secretary of Agriculture by appeal of either party. The Secretary of Agriculture is authorized to determine by certificate the true grade of the grain in such cases.

The following is a brief summary of the provisions of the bill by sections:

Section 1 provides that the short title of the bill shall be "United States grain grades act."

Section 2 authorizes the Secretary of Agriculture to investigate the grading, handling, and transportation of grain, to fix and establish uniform standards of quality and condition, and to promulgate the same, and to fix the date when such standards are to become effective. It also gives the Secretary of Agriculture power to alter or modify such standards when the necessities of the trade may require, and to promulgate the same.

Section 3 provides that these standards shall be known as the official grain standards of the United States.

Section 4 declares that after standards have been established for any grain it shall be unlawful to ship or deliver for shipment in interstate or foreign commerce any grain which is sold or offered for sale by grade, unless the grain has been inspected and found to conform to one of the grades fixed therefor in the official grain standards of the United States. It further provides that grain may be sold or offered for sale by sample or type or by any name, description, or designation which is not false or misleading. If sold by name, description, or designation, the descriptive terms shall not include in whole or in part the terms of the official grain standards. It also provides that grain may be sold or offered for sale by grade at a point where there is no licensed inspector to be shipped to a point or through a point where a licensed inspector is located, to be inspected and graded at either place. It provides, under rules and regulations

to be prescribed by the Secretary of Agriculture, for the shipment of grain by grade, without inspection, from a point where there is no inspector to another point where there is no inspector, disputes as to the grade of such grain to be referred to the Secretary of Agriculture by either party.

Section 5 provides that no person shall represent that any grain is of a grade fixed in the official grain standards other than as shown by a certificate therefor, issued in compliance with this act. The Secretary of Agriculture is authorized to examine certified grain and grain which has been shipped or offered for shipment in interstate of foreign commerce. If the Secretary finds that any grain has been incorrectly certified or has been sold or offered for sale under any name, description, or designation which is false or misleading, he may publish his findings.

Section 6 provides that whenever, after inspection, a dispute arises as to whether the grade as certified by such inspection conforms to the standard of the specified grade, any interested party may appeal the question to the Secretary of Agriculture, who is authorized to to determine and certify the true grade of the grain, and the certificate of grade issued by the Secretary of Agriculture is made prima facie evidence of the true grade of the grain thus certified.

Section 7 authorizes the Secretary of Agriculture to license inspectors to grade grain for interstate and foreign commerce. It prohibits any person from certifying that grain for interstate and foreign commerce is of one of the official grades of the United States unless he hold an unsuspended and unrevoked license issued by the Secretary of Agriculture. In States which have State grain inspection established by law, preference in issuing licenses shall be given to persons duly authorized and employed to inspect and grade grain under the laws of such States. The Secretary of Agriculture is given power to revoke licenses issued by him for cause.

Section 8 authorizes the Secretary of Agriculture to make such rules as in his discretion are necessary for the efficient execution of the provisions of this act.

Section 9 imposes penalties for the violation of certain sections of this act, for the misconduct on the part of inspectors, and for attempts on the part of anyone to improperly influence inspectors in the performance of their duties.

Section 10 imposes penalties for assaulting, resisting, impeding, or interfering with any official or employee of the Department of Agriculture in the execution of the duties authorized to be performed by this act or by the rules and regulations issued by the Secretary of Agriculture.

Section 11 defines the word "persons" and makes corporations, companies, societies, and associations responsible for the violation of the provisions of the act by any of their employees.

Section 12 makes an appropriation of $125,000 for the expenses of carrying into effect the provisions of this bill.

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